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30 October 1951

Memorandum Concerning the CIA Printing Program.

James L. Harrison, Staff Director of the Joint Congressional Committee on Printing has prepared the attached memorandum for Senator Carl Hayden, the Committee Chairman, on the subject of the CIA printing program. Set forth below in quotation marks is the Harrison Memorandum to which CIA comments have been added after each item.

"The Central Intelligence Agency, for several years, has been served by the GPO-Department of State Service Office in the production of considerable quantities of highly classified printing."

CIA Comment

This is correct, and we are continuing to call on this plant for considerable quantities of classified printing.

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"In addition to the GPO-DSSO plant, CIA for several years has also been served by their own agency plant which is equipped to produce offset and letterpress printing as well as engraving. Both of these plants are located at CIA headquarters."

CIA Comment

We have had our own reproduction facilities for several years, but they are no longer located at CIA headquarters.

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"Several months ago, CIA established another printing plant [REDACTED] from CIA headquarters. They based this action on (a) the described need for facilities to handle increased production requirements, and (b) the need for better security although we understand that certain merchants and applicants for jobs in recent weeks have taken tours through the CIA [REDACTED] plant which appears to reflect some doubt on the secret classification of that plant."

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CIA Comment

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For the reasons cited, we have established a reproduction plant at [REDACTED] to which we have moved all CIA reproduction facilities. Their previous locations were both completely inadequate and in some instances presented serious fire hazards. This action was taken with the complete foreknowledge and approval of both Senator Hayden and the Bureau of the Budget. Senator Hayden was informed of this fact on 29 March 1951, at which time he was privately briefed on the necessity for developing certain covert training facilities as well as the need for certain covert printing operations. The presence of certain non-CIA personnel at the plant is explained by the fact that the electrical contractor was not able to complete his work prior to the move to the [REDACTED] plant. It is also partially due to certain machinery servicing requirements and operating tests on the equipment which the contractors are still carrying out. However, such individuals are closely watched and controlled as to their activities.

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"The action was taken despite the following facts:

"1. CIA is completely responsible for and have complete control over the security which is maintained in their own headquarters plant."

CIA Comment

This is correct.

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"2. The GPO-DSSO plant is cleared for top security by CIA, Atomic Energy Commission, Department of State, National Security Resources Board and Office of Defense Management and all of these Government establishments have expressed satisfaction with the quality, service and security maintained by the plant in connection with the work it does for them"

CIA Comment

This is correct insofar as reference to CIA is concerned. We cannot comment as to the reaction of other agencies. However, it is our understanding that approximately 80% of the work done by the GPO-DSSO plant is for CIA, with the remaining 20% split among the other agencies.

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"3. The GPO-DSSO plant has untapped production facilities and, consequently, GPO has advised CIA that this plant can handle a much larger quantity of their work. A relatively large security-cleared reservoir of skilled craftsmen exists at the GPO central plant and can be detailed to the GPO-DSSO plant whenever necessary."

CIA Comment

CIA has no knowledge of untapped production facilities at the GPO-DSSO plant which are capable of handling a much larger quantity of CIA work. However, the major CIA printing program involves the production of National Intelligence Surveys. This is a fluctuating program and at times it involves printing capabilities undoubtedly less than the GPO-DSSO production facilities. At other times, however, this program alone is sufficient to utilize the entire production facilities known by us to be available to CIA at that plant. The main GPO plant has agreed to supply fill-in work to maintain GPO-DSSO on an efficient work production basis.

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"4. The CIA's own headquarters plant also has considerable unused production potential."

CIA Comment

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Any currently unused production potential at the CIA [REDACTED] plant is necessary to meet existing and planned requirements for the immediate future as soon as the plant is completely manned.

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"5. When CIA sought priorities to purchase equipment for the [REDACTED] plant, ODM ruled that CIA was needlessly duplicating existing facilities with adequate capacity to handle their work and, on that basis, denied them priorities.

"6. Subsequently, the Bureau of the Budget reached the same conclusion as ODM and advised CIA that the GPO-DSSO plant has the facilities and security to meet any of their requirements."

CIA Comment

CIA has been able with proper authority, including the Bureau of the Budget, to obtain sufficient equipment to meet its reproduction requirements which are in excess of those for which we use and still plan to use the GPO-DSSO plant.

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"7. Before CIA started action to establish the Alexandria plant, they were specifically advised that highly skilled personnel of the type necessary to operate such a plant are scarce to the point of being almost non-existent."

CIA Comment

CIA has always been aware of the scarcity of highly skilled personnel necessary to operate reproduction facilities.

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"Nevertheless, the plant was established and equipped at a cost conservatively estimated at no less than a half million dollars and we are advised that for several months now, from any practical production standpoint, it has been standing idle because of the lack of competent, qualified personnel to operate it."

CIA Comment

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The cost of the CIA [REDACTED] plant and its equipment was approximately \$300,000. The majority of the equipment was transferred from our old, unsafe and unsatisfactory locations. Only a negligible amount of the equipment has been standing idle.

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"Because of this situation, CIA has adopted the only obvious method of resolving the difficulty--namely, proselyting employees from the GPO-Department of State Service Office.

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"It is true that if this practice were successfully consummated, [REDACTED] operational difficulties would be solved. However, the solution also would involve a broad, serious disruption with regard to the highly classified production requirements of such vital Government activities at Atomic Energy Commission, State Department, National Security Resources Board and Office of Defense Management."

CIA Comment

We have not proselyted employees from the GPO-DSSO plant. Approximately 20 of their employees have come to us without written releases from GPO to seek employment and we have refused even to discuss the possibilities of employment with them. Two of their employees came to us with appropriate written releases from GPO, and these two have been employed. CIA has an established policy that it will not discuss employment with any Government employee, unless such employee presents a written release from his agency or a notice of reduction in force.

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"RECOMMENDATION:

"Inasmuch as there appears to be no justification established by all the known facts in support of the existence of the CIA [REDACTED] printing plant, either on the basis of handling increased production requirements or on the basis of better security,"

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CIA Comment

As explained to Senator Hayden in March 1951, there was ample justification for the establishment of the CIA [REDACTED] printing plant.

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"and, Inasmuch as the loss of personnel from the GPO-Department of State Service Office would seriously impair, or possibly destroy, that plant's production capacity for handling highly-classified and vitally-important printing for the Atomic Energy Commission, the State Department, the National Security Resources Board and the Office of Defense Management,"

CIA Comment

As indicated above, there will be no loss of personnel from the GPO-DSSO plant. It should be noted again, however, that to the best of our knowledge that plant performs only approximately 20% of its service for agencies other than CIA.

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"and, Inasmuch as the present uncontrolled procurement of CIA's printing equipment is highly discriminatory against other agencies with equally stringent security requirements, at the same time setting a very bad example for those same agencies which are required by law to seek approval of the Joint Committee on Printing either to purchase printing equipment or to establish printing plants,"

CIA Comment

There has been no uncontrolled procurement of CIA printing equipment. As indicated above, the majority of this equipment was transferred from CIA facilities. New equipment has been acquired with the approval of the Bureau of the Budget, and for purposes of which Senator Hayden is cognizant.

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"and, Inasmuch as those agencies have specifically and repeatedly certified that the JCP program is helpful rather than detrimental and has imposed no difficulties with regard to their highly classified printing activities, and,

"Inasmuch as the CIA program is threatening to undermine the JCP policy control over the Government's printing and binding program,"

CIA Comment

CIA has no intention of undermining the policy of the Joint Congressional Committee on Printing, and has proceeded only after a full disclosure to the Committee's Chairman.

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"Therefore, it appears most sound, practical and in the best interests of the United States Government to initiate steps which: (a) will bring CIA printing equipment procurement under the policy control of the Joint Committee on Printing and, (b) will preserve the effectiveness of the GPO-Department of State Service Office."

CIA Comment

A distinction must be drawn between the mere printing of classified material and the necessity of training of certain personnel and production of certain materials needed for covert operations. It is for this reason primarily that the Congress gave CIA full authorization to expend funds for reproduction and printing equipment. The latter facilities will not serve to undermine the GPO-DSSO plant. Major problems in the field will be again discussed with the Chairman of the Joint Committee.

Walter L. Pforzheimer

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